



ConocoPhillips Company
6825 South 5300 West
P.O. Box 851
Price, UT 84501

March 1, 2006

Ms. Diana Whitney
State of Utah
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
SLC, Utah 84114-5801

RE: Application for Permit to Drill: Telonis 19-1038, Birkinshaw 18-1037, Telonis 16-1031,
Utah 33-1072, Utah 23-1026, Telonis 29-1060

Dear Ms. Whitney:

Please find enclosed an *Application for Permit to Drill* (APD) for the following wells:

Telonis 19-1038, Birkinshaw 18-1037, Telonis 16-1031, Utah 33-1072, Utah 23-1026, Telonis 29-1060

Please accept this letter as ConocoPhillips' written request for confidential treatment of all information contained in and pertaining to this permit application, if said information is eligible for such consideration.

Thank you very much for your timely consideration of this application. Please feel free to contact me if you have any questions.

Sincerely,

Jean Semborski
Construction/Asset Integrity Supervisor

cc: Mr. Eric Jones, BLM, Moab, Utah
Mr. John Albert, Chevron
Mr. John Lennon, Dominion Resources
Mr. Don Stephens, BLM, Price, Utah
Ms. Debbie Marberry, ConocoPhillips
Mr. Kile Thompson, ConocoPhillips
Mr. Mark Jones, DOGM, Price, Utah
Mr. Ed Bonner, SITLA
ConocoPhillips Well File

RECEIVED
MAR 07 2006
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: ML-48178	6. SURFACE State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: Drunkards Wash UTU-67921X	
2. NAME OF OPERATOR: ConocoPhillips Company				9. WELL NAME and NUMBER: Utah 33-1072	
3. ADDRESS OF OPERATOR: P.O. Box 851 CITY Price STATE UT ZIP 84501			PHONE NUMBER: (435) 613-9777	10. FIELD AND POOL, OR WILDCAT: Drunkards Wash	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 234' FNL, 578' FWL 506364X 39.571002 AT PROPOSED PRODUCING ZONE: 4379938Y -110.925908				11. QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 33 14S 9E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 6.1 miles west of Price, Utah				12. COUNTY: Carbon	13. STATE UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 234 feet		16. NUMBER OF ACRES IN LEASE 640 acres		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160 acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1400 feet		19. PROPOSED DEPTH: 3,474		20. BOND DESCRIPTION: Rotary	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6673.6' GR		22. APPROXIMATE DATE WORK WILL START: 4/15/2006		23. ESTIMATED DURATION:	

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
15"	12 3/4" Conductor	40	
11"	8 5/8" J-55 24#/ft	400	170 sks G+2% CaCl 1/4#/skD29
7 7/8"	5 1/2" N-80 17#/ft	3,464	110 sks50/50POZ+8% gel+2%CaCl +10%extend 1/4#/skD29
			290 sks "G" thixotropic

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Jean Semborski TITLE Construction/Asset Integrity Supervisor
SIGNATURE *Jean Semborski* DATE 2/23/06

(This space for State use only)

API NUMBER ASSIGNED: 43-007-31153

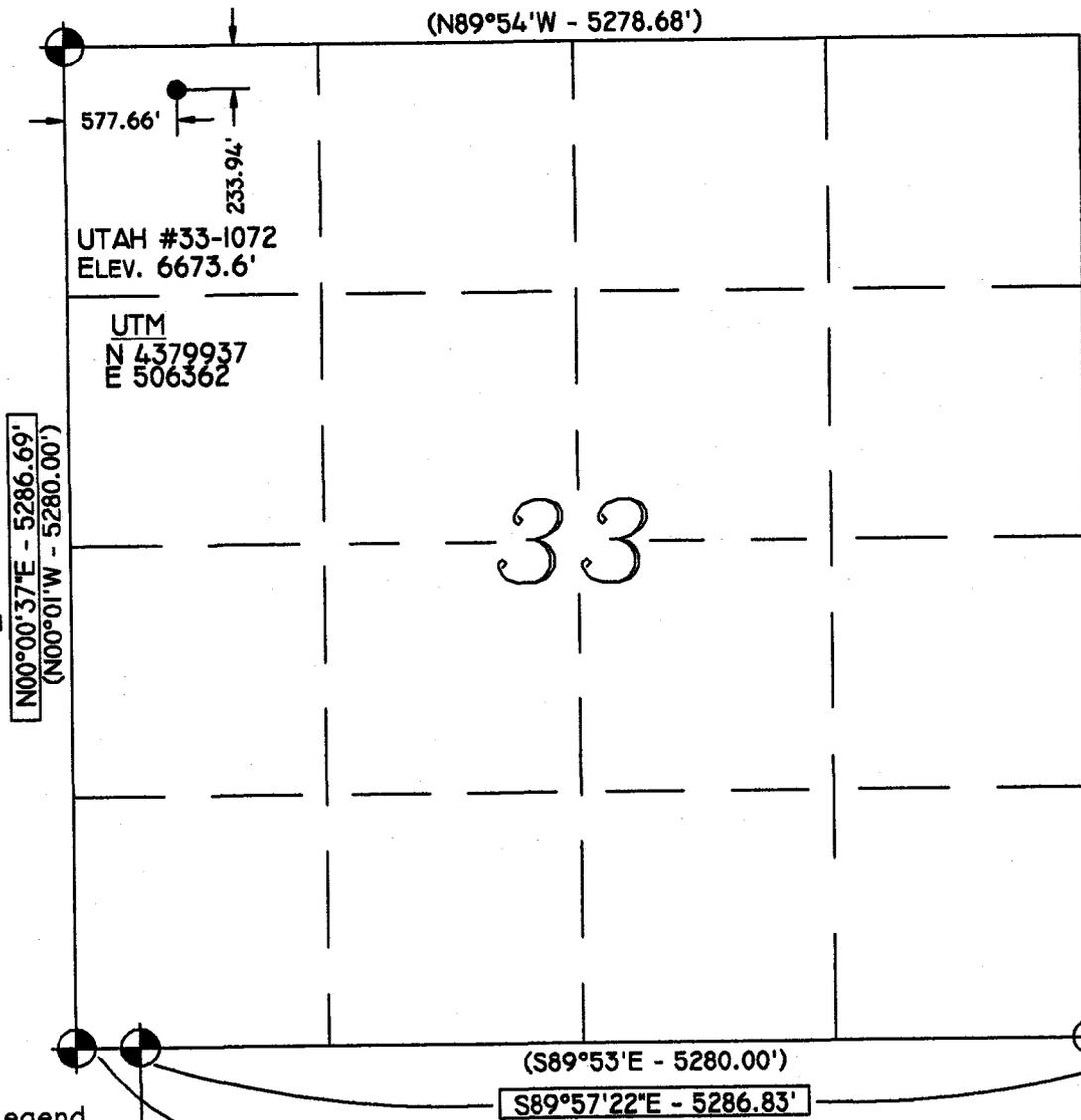
**Approved by the
Utah Division of
Oil, Gas and Mining**
Date: 03-30-06
[Signature]

**RECEIVED
MAR 07 2006**

DIV. OF OIL, GAS & MINING

Range 9 East

Township 14 South



Location:
The well location was determined using a Trimble 5700 GPS survey grade unit.

Basis of Bearing:
The Basis of Bearing is GPS Measured.

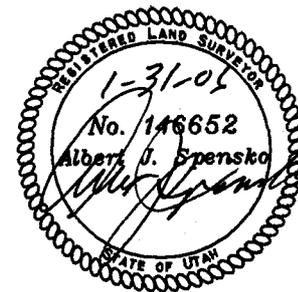
GLO Bearing:
The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:
Basis of Elevation of 6327' being at the Southeast Section Corner of Section 4, Township 15 South, Range 9 East, Salt Lake Base and Meridian, as shown on the Pinnacle Peak Quadrangle 7.5 minute series map.

Description of Location:
Proposed Drill Hole located in the NW/4 NW/4 of Section 33, T14S, R9E, S.L.B.&M., being 233.94' South and 577.66' East from the Northwest Section Corner of Section 33, T14S, R9E, Salt Lake Base & Meridian.

Surveyor's Certificate:
I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.

(NORTH - 5280.00')



TALON RESOURCES, INC.
195 North 100 West P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talon@trv.net

ConocoPhillips Company
WELL UTAH #33-1072
Section 33, T14S, R9E, S.L.B.&M.
Carbon County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 1/31/06
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 2115

- Legend**
- Drill Hole Location
 - ⊙ Metal Cap (Found)
 - Brass Cap (Searched for, but not found)
 - △ Calculated Corner
 - () GLO
 - GPS Measured

NOTES:
1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

LAT / LONG
39°34'15.580"N
110°55'33.354"W

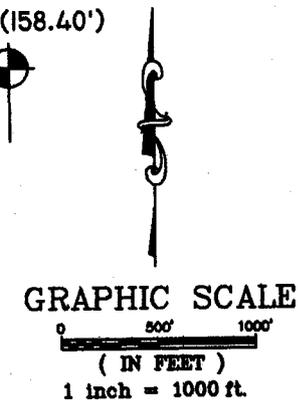


EXHIBIT "D"
DRILLING PROGRAM

Attached to Form 3
ConocoPhillips Company
Utah 33-1072
NW/4 NW/4, Sec.33, T14S, R9E, SLB & M
234' FNL, 578' FWL
Carbon County, Utah

1. The Surface Geologic Formation

Mancos Shale

2. Estimated Tops of Important Geologic Markers

Blue Gate/Ferron 2945'

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones 2964' - 3073'

No groundwater is expected to be encountered.

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits.

All indications of usable water will be reported.

Surface casing will be tested to 500 psi and Production casing tested to 1500 psi with a minimum of 1 psi/ft of the last casing string depth

4. The Proposed Casing and Cementing Programs

Hole Size	Casing Size	Wt/Ft	Grade	Joint	Depth set
14 3/4"	12 3/4"	40.5	H-40	ST&C	0-50'
11"	8 5/8"	24.0	J-55	ST&C	0-400'
7 7/8"	5 1/2"	17.0	N-80	LT&C	<u>0-3464</u>

Cementing Program

The 8 5/8" surface casing will be set with approximately 170 sacks Class G or Type V cement with 2% CaCl₂ mixed at 15.6 ppg (yield =1.18 ft³/sx). The cement will be circulated back to surface with 100% excess.

The 5 1/2" production casing will be set and cemented using a two stage cementing process . This entails setting casing to total TD and running a DV tool to approximately 300' of the top of the Ferron.

The 1st Stage of cement will then be pumped to approximately 50' from the DV tool. After cement is pumped, the cement cap will be removed and a wiper plug installed. The cement cap will then be screwed back on and a wiper plug will be displaced to TD. The cement cap will be removed and the DV tool bomb will be dropped followed by the 2nd Stage wiper plug. (This is done to open the DV tool and establish circulation.) Once circulation is established, circulation will continue at approximately 1 bpm for 4 hours while waiting on cement (WOC). WOC at a minimum of 4 hours before beginning 2nd stage cement job. After the 2nd Stage has been pumped, a top wiper plug will be dropped and displaced with water (or water spacer and mud). Shut in well and WOC.

The 5 1/2" production casing will be set with approximately 110 sacks of Standard Cement, 10% Cal Seal 60 (accelerator), 1% Calcium Chloride (accelerator), 1/4 lbm/sk Flocele (lost circulation additive) with a yield of 1.61 ft³/sx at 14.2 ppg; calculated with an excess of 35% for the 1st Stage. For the 2nd stage, approximately 290 sx of 50/50 POZ Premium cement, 8% Bentonite (light weight additive), 10% Cal Seal 60 (accelerator), 1/4 lbm/sk Flocele (lost circulation additive) with a yield of 1.98 ft³/sx at 12.5 ppg; calculated with an excess of 30% for the 2nd Stage.

The above cement volumes are approximate and are calculated under the assumption that a gauge hole will be achieved. If the cement does not return to surface, a cement bond log will be run to determine the top of cement. In the case where the cement is below the surface casing shoe, the casing will be perforated and squeeze cemented to the surface. If the cement is above the surface casing shoe, cement will be one-inched to the surface.

The following shall be entered in the driller's log:

- 1) Blowout preventer pressure tests, including test pressures and results;
- 2) Blowout preventer tests for proper functioning;
- 3) Blowout prevention drills conducted;
- 4) Casing run, including size, grade, weight, and depth set;
- 5) How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- 6) Waiting on cement time for each casing string;
- 7) Casing pressure tests after cementing, including test pressures and results.

5. The Operator's Minimum Specifications for Pressure Control

Exhibit "G" is a schematic diagram of the blowout preventer equipment. A double gate 3000 psi BOPE will be used with a rotating head. This equipment will be tested to 2000 psi. All tests will be recorded in a Driller's Report Book. Physical operation of BOP's will be checked on each trip.

6. The Type and Characteristics of the Proposed Circulating Muds

0-400	11" hole	Drill with air, will mud-up if necessary.
400-TD	7 7/8" hole	Drill with air, will mud-up if necessary. 400 psi @ 1400-1600 cfm

7. The Testing, Logging and Coring Programs are as followed

400-TD Gamma Ray, Neutron Porosity, CBL

Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is about 1516 psi max., however due to offset production pressures may be much lower. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled around April 15, 2006

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- (a) prior to beginning construction;
- (b) prior to spudding;
- (c) prior to running any casing or BOP tests;
- (d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

SURFACE USE PLAN

Attached to Form 3
ConocoPhillips Company
Utah 33-1072
NW/4 NW/4, Sec.33, T14S, R9E, SLB & M
234' FNL, 578' FWL
Carbon County, Utah

1. Existing Roads

- a. We do not plan to change, alter or improve upon any existing state or county roads.
- b. Existing roads will be maintained in the same or better condition. See Exhibit "B".

2. Planned Access

Approximately 1200' of new access is required (Refer to Drawing L-1)

- a. Maximum Width: 24' travel surface with 27' base
- b. Maximum grade: 10%
- c. Turnouts: None
- d. Drainage design: 4 culverts may be required. Water will be diverted around well pad as necessary.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.
- f. Pipe and power lines will follow the proposed access road.

3. Location of Existing Wells

- a. Refer to Drawing L-1.

4. Location of Existing and/or Proposed Facilities

- a. If the well is a producer, installation of production facilities will be as shown on Exhibit "H". Buried powerlines run along access on the east and north, gathering lines on the south or west.
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

5. Location and Type of Water Supply

- a. Water to be used for drilling will be purchased from the Price River Water Improvement District (a local source of municipal water) (tel. 435-637-6350).
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

6. Source of Construction Materials

- a. Any necessary construction materials needed will be obtained locally and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal/Indian land.

7. Methods for handling waste disposal

- a. As the well will be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will not be lined unless conditions encountered during construction warrant it or if deemed necessary by the DOGM representative during the pre-site inspection. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operation cease with woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. Following drilling, the liquid waste will be evaporated from the pit and the pit back-filled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- c. In the event fluids are produced, any oil will be retained in tankage until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. Ancillary Facilities

- a. We anticipate no need for ancillary facilities with the exception of one trailer to be located on the drill site.

9. Wellsite Layout

- a. Available topsoil will be removed from the location and stockpiled. Location of mud tanks, reserve and berm pits, and soil stockpiles will be located as shown on the attachments.
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the pit. The pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Drawing A-2 and L-1.
- d. Natural runoff will be diverted around the well pad.

10. Plans for Restoration of Surface

- a. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to maintain possible erosion to a minimum.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.

11. Surface Ownership:

- a. The wellsite and access road will be constructed on lands owned by the School and Institutional Trust Lands Administration. The operator shall contact the landowner representative and the Division of Oil, Gas and mining 48 hours prior to beginning construction activities.

12. **Other Information:**

- a. The primary surface use is farming and grazing. The nearest dwelling is approximately 9000 feet North.
- b. Nearest live water is the Gordon Creek 16,000' North.
- c. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed and piled downhill from the topsoil stockpile location.
- d. The backslope and foreslope will be constructed no steeper than 4:1.
- e. All equipment and vehicles will be confined to the access road and well pad.
- f. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations, shall be on the wellsite during construction and drilling operations.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas & Mining.

13. Company Representative

Jean Semborski
Construction/Asset Integrity Supervisor
ConocoPhillips Company
P.O. Box 851
6825 South 5300 West
Price, Utah 84501
(435) 613-9777
(435) 820-9807

Mail Approved A.P.D. To:
Company Representative

Excavation Contractor

Larry Jensen, Vice President
Nelco Contractors Inc.
Vice President
(435) 637-3495
(435) 636-5268

14. Certification

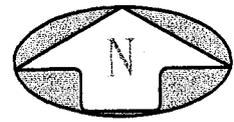
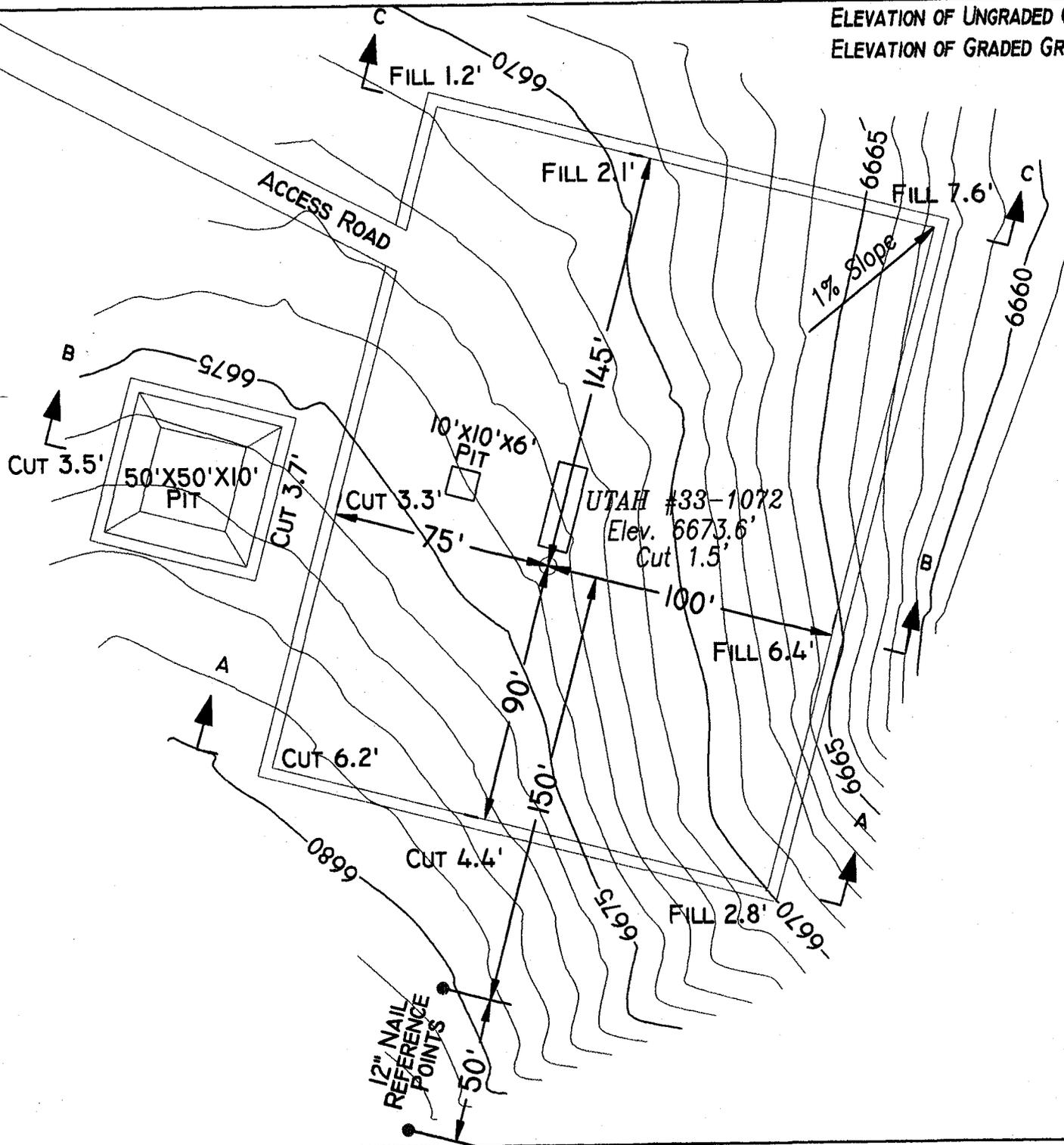
I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by ConocoPhillips Company and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

2/23/06
Date



Jean Semborski
Construction/Asset Integrity Supervisor
ConocoPhillips Company

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6673.6'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 6672.1'

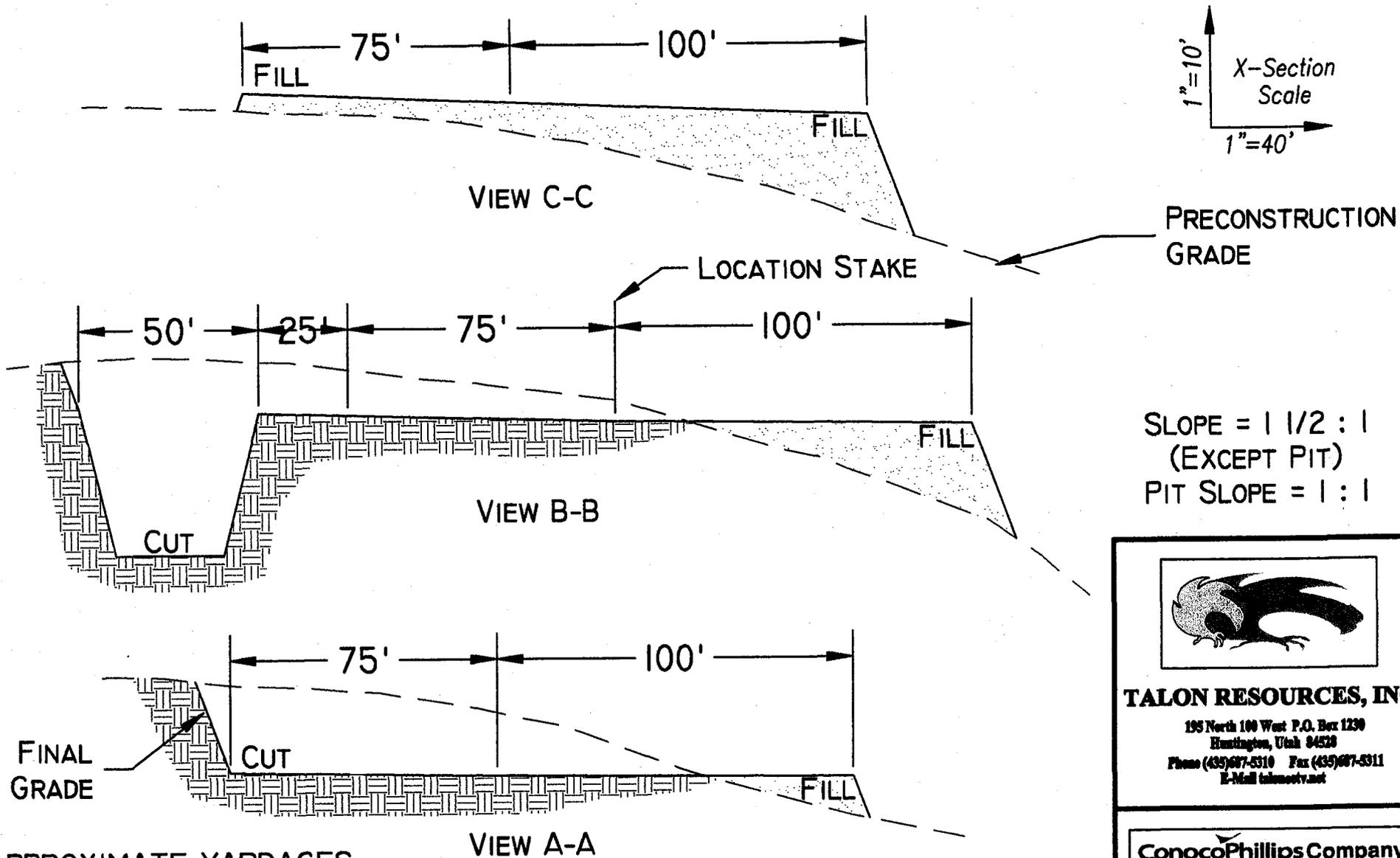


TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talon@trv.net

ConocoPhillips Company

LOCATION LAYOUT
 Section 33, T14S, R9E, S.L.B.&M.
 WELL UTAH #33-1072

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. A-2	Date: 1/30/06
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 2115



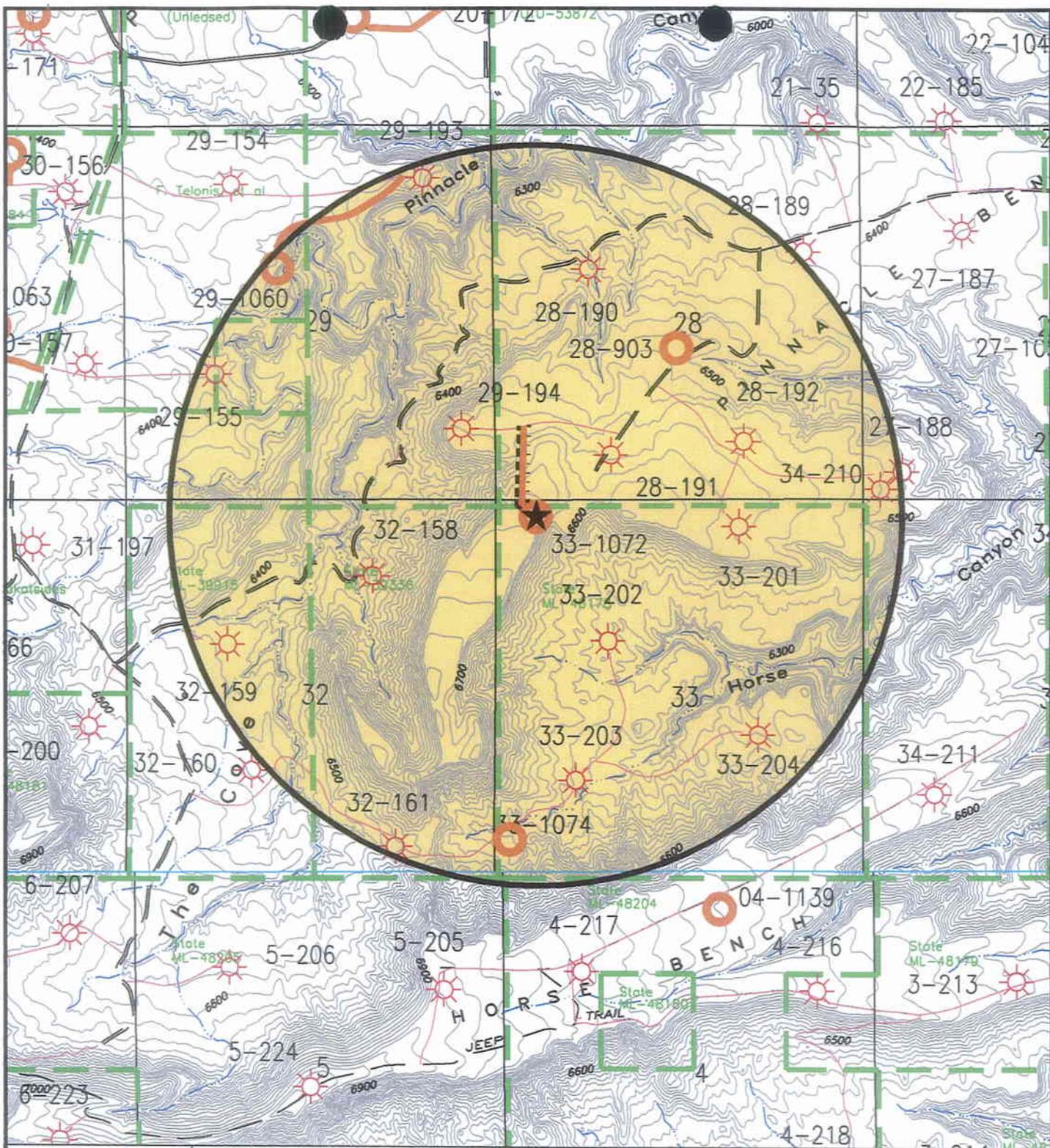
APPROXIMATE YARDAGES

CUT
 (6") TOPSOIL STRIPPING = 810 CU. YDS.
 REMAINING LOCATION = 3,150 CU, YDS.
 (INCLUDING TOPSOIL STRIPPING)

 TOTAL CUT (INCLUDING PIT) = 3,900 CU. YDS.
 TOTAL FILL = 2,975 CU. YDS.

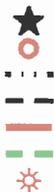
TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84520
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talonres@net

ConocoPhillips Company	
TYPICAL CROSS SECTION Section 33, T14S, R9E, S.L.B.&M. WELL UTAH #33-1072	
Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. C-1	Date: 1/30/06
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 2115



LEGEND

- Proposed Well Location:
- Other Proposed Well Locations:
- Proposed Powerline:
- Proposed Pipeline:
- Proposed Roads:
- Lease Boundary:
- Existing Wells:



Scale: 1" = 2000'

January 30, 2006

ConocoPhillips Company

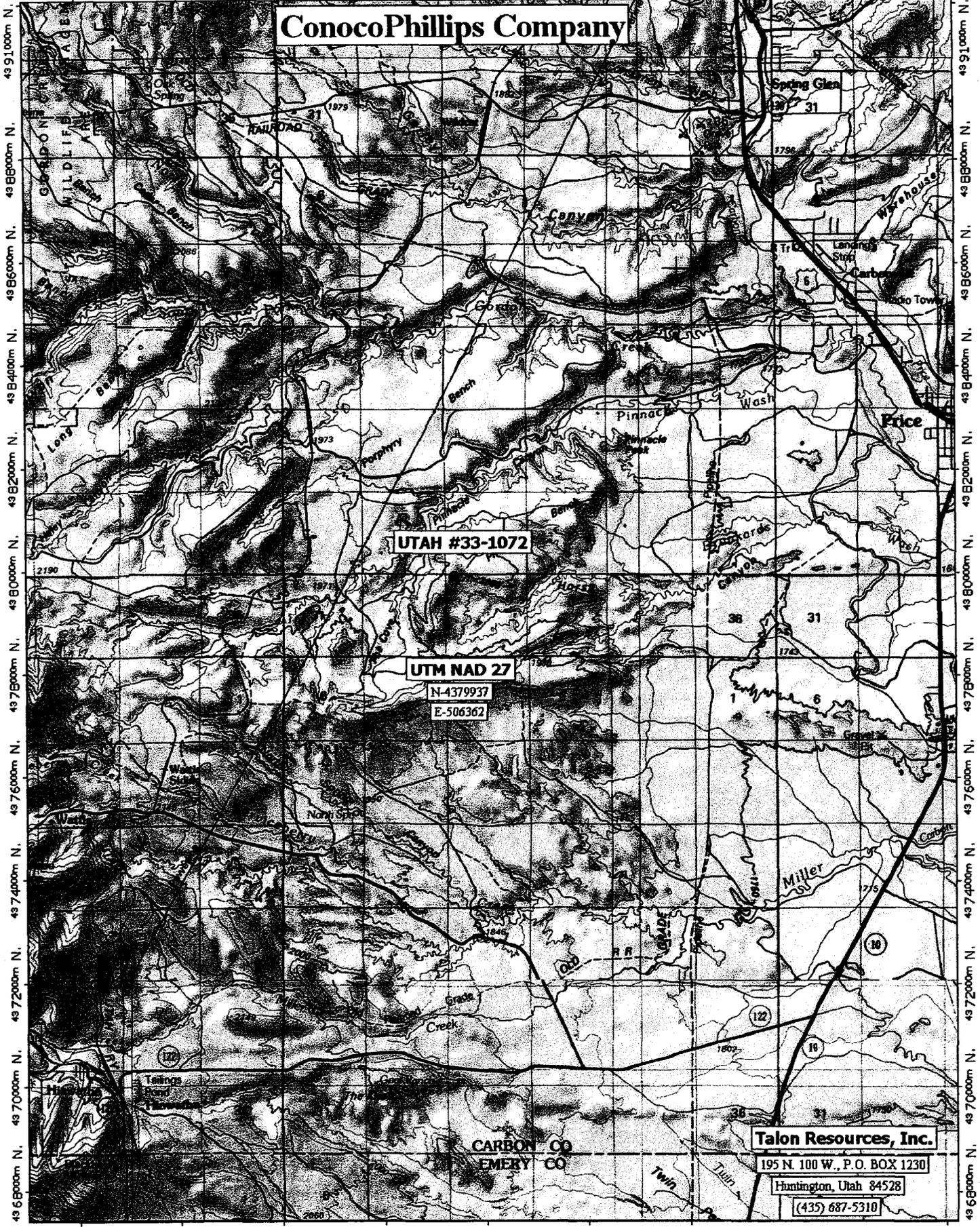
6825 South 5300 West
 P.O. Box 851
 Price, Utah 84501
 Phone: (435) 613-9777
 Fax: (435) 613-9782



WELL UTAH #33-1072
Section 33, T14S, R9E, S.L.B.&M.
Drawing L-1 4 of 4

499000m E. 501000m E. 503000m E. 505000m E. 507000m E. 509000m E. 511000m E. NAD27 Zone 12S 516000m E.

ConocoPhillips Company



UTAH #33-1072

UTM NAD 27

N-4379937

E-506362

**CARBON CO
EMERY CO**

Talon Resources, Inc.

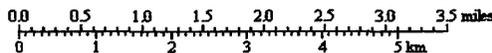
195 N. 100 W., P.O. BOX 1230

Huntington, Utah 84528

(435) 687-5310

499000m E. 501000m E. 503000m E. 505000m E. 507000m E. 509000m E. 511000m E. NAD27 Zone 12S 516000m E.

TN 12% MN

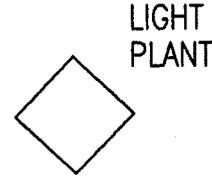


Map created with TOPO! © 2003 National Geographic (www.nationalgeographic.com/topo)

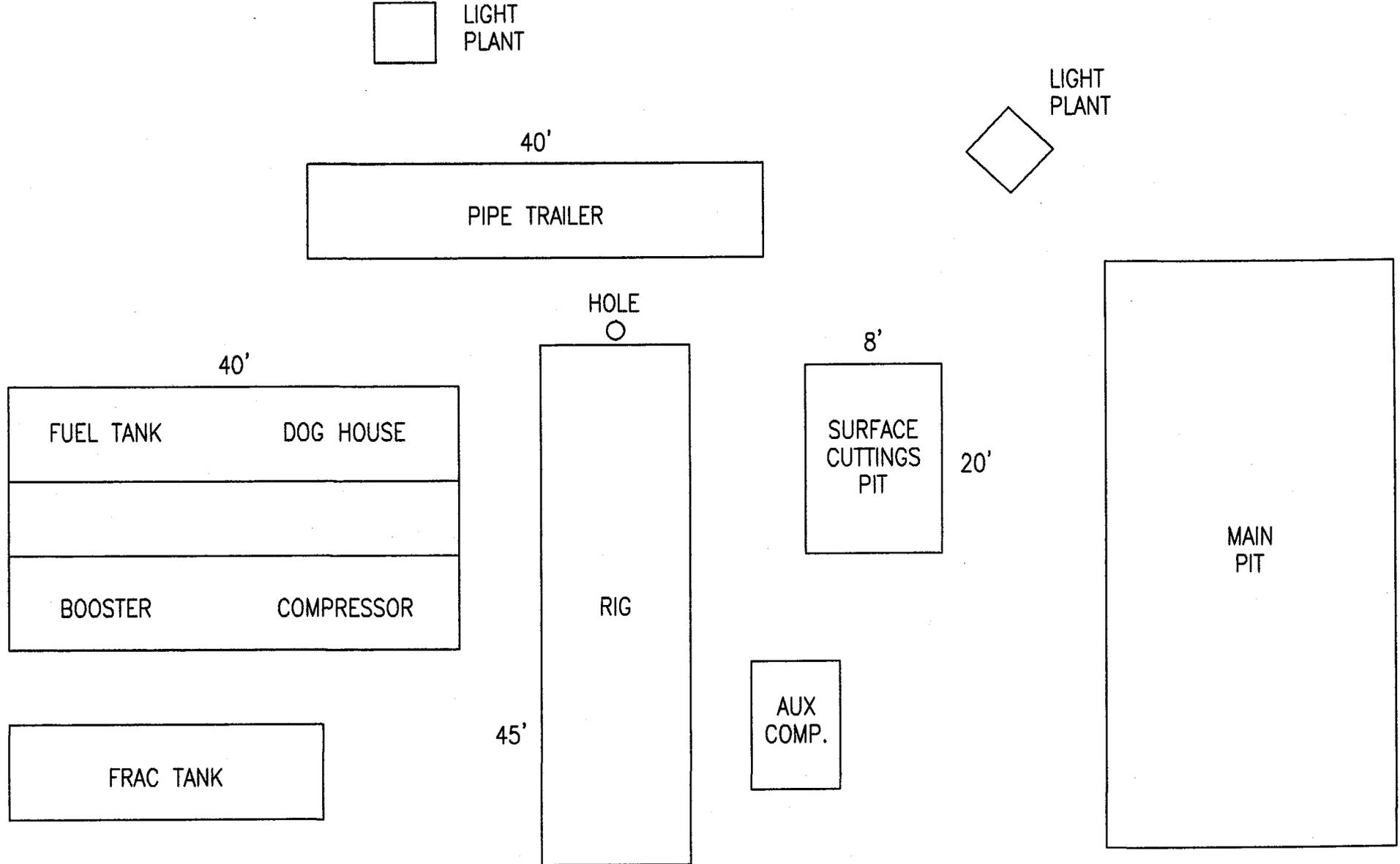
APPROXIMATE LAYOUT OF RIG & EQUIPMENT



LIGHT PLANT

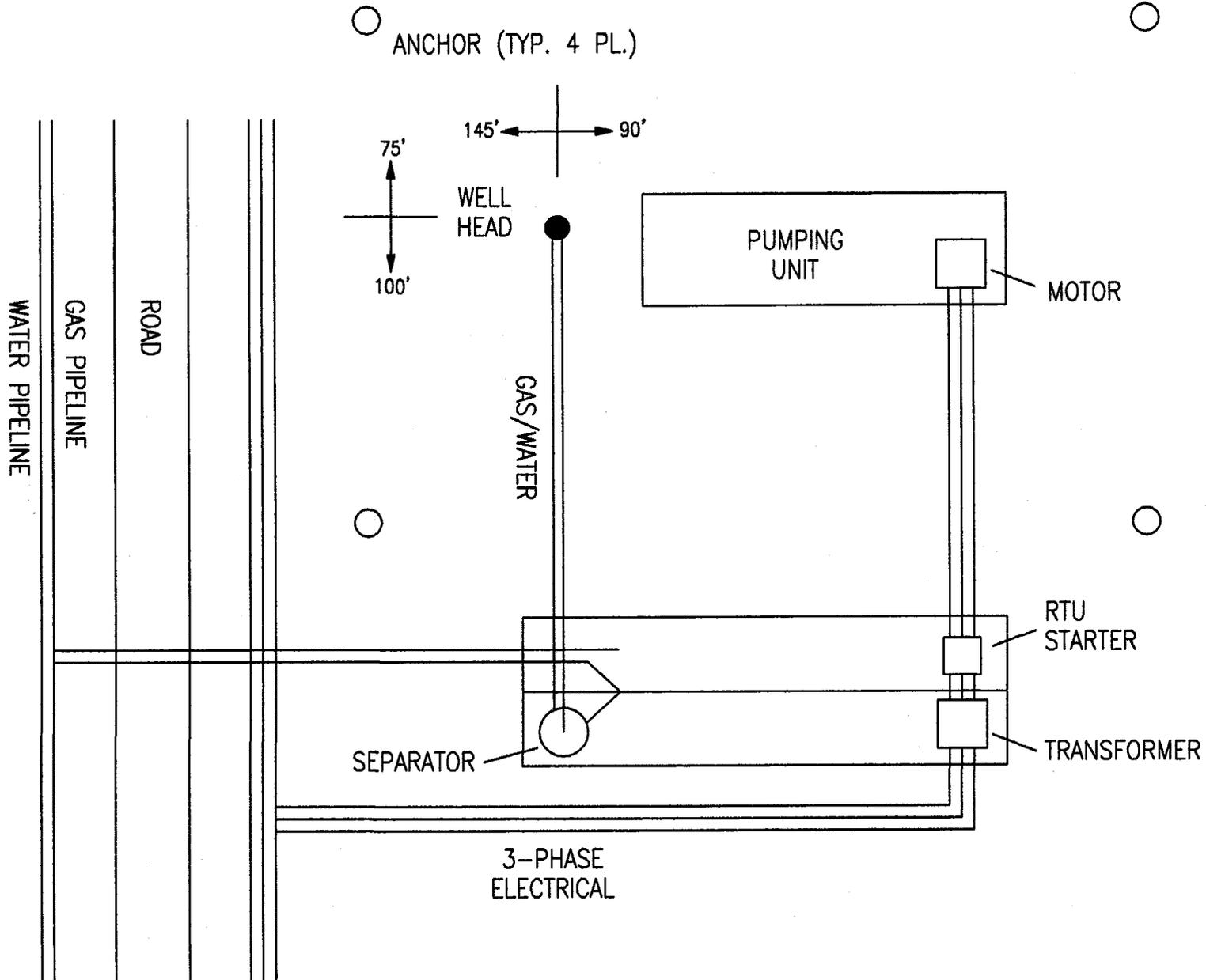


LIGHT PLANT

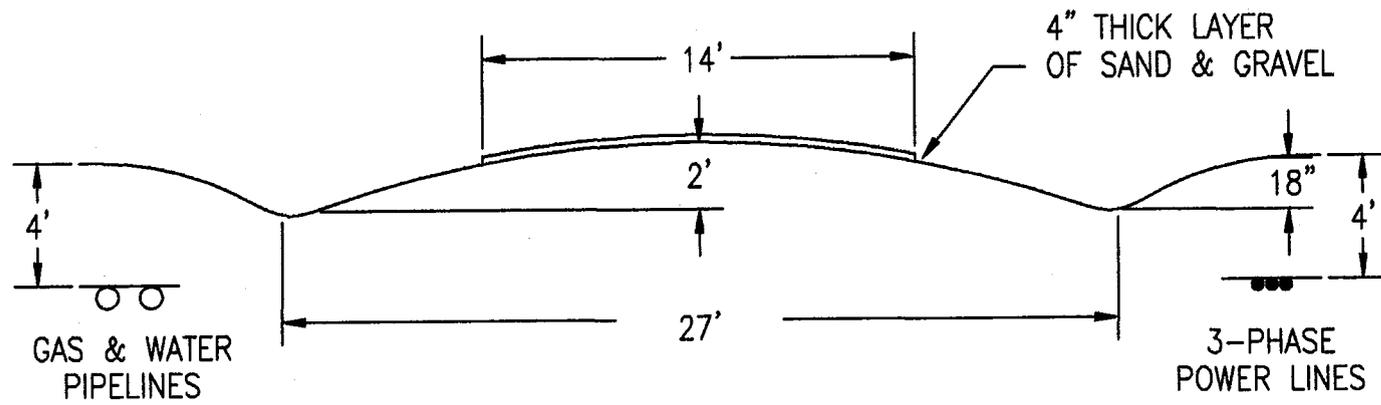


CONOCOPHILLIPS COMPANY

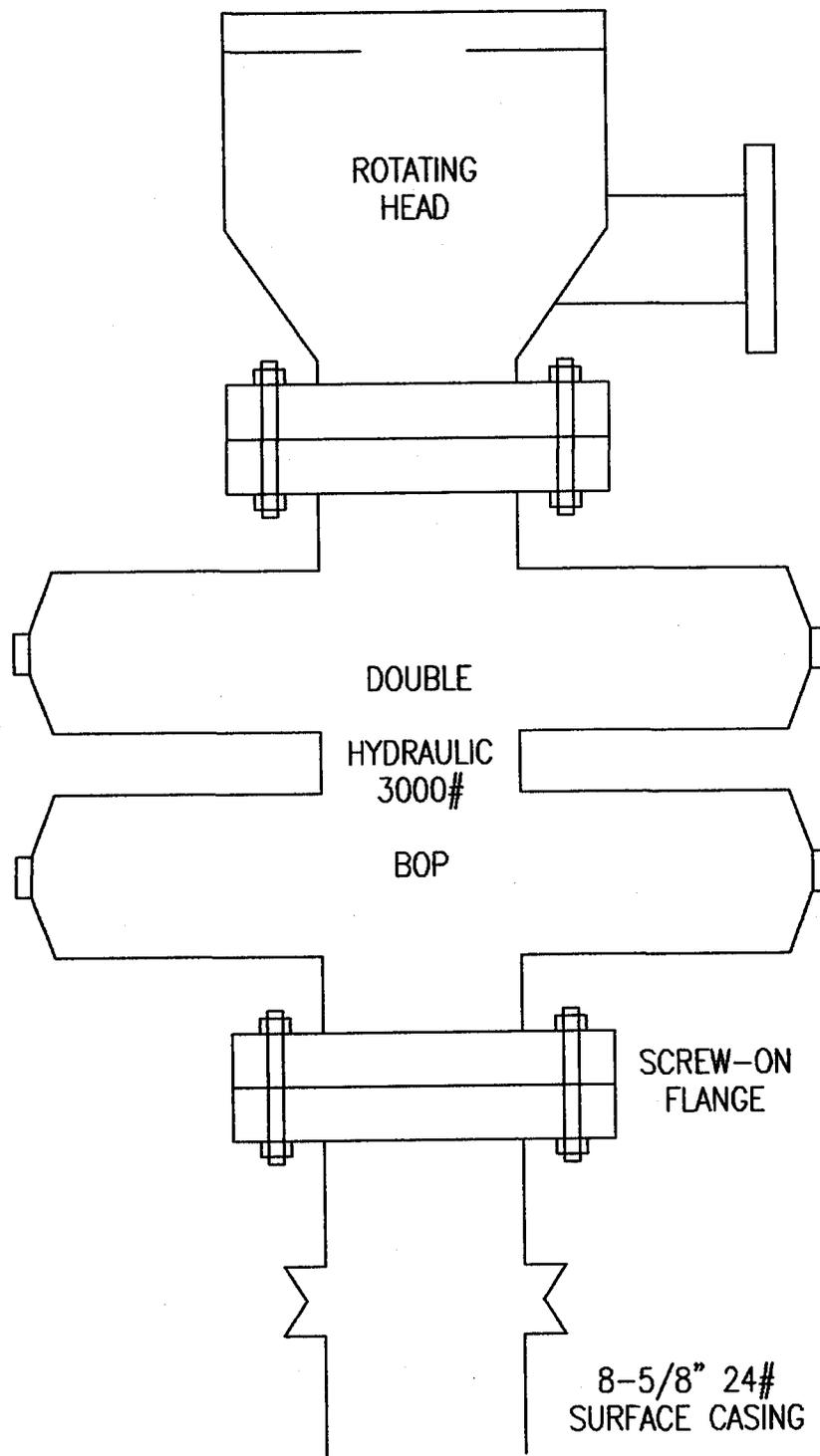
WELL SITE LAYOUT (235' x 175')



TYPICAL ROAD CROSS-SECTION
CONOCOPHILLIPS COMPANY



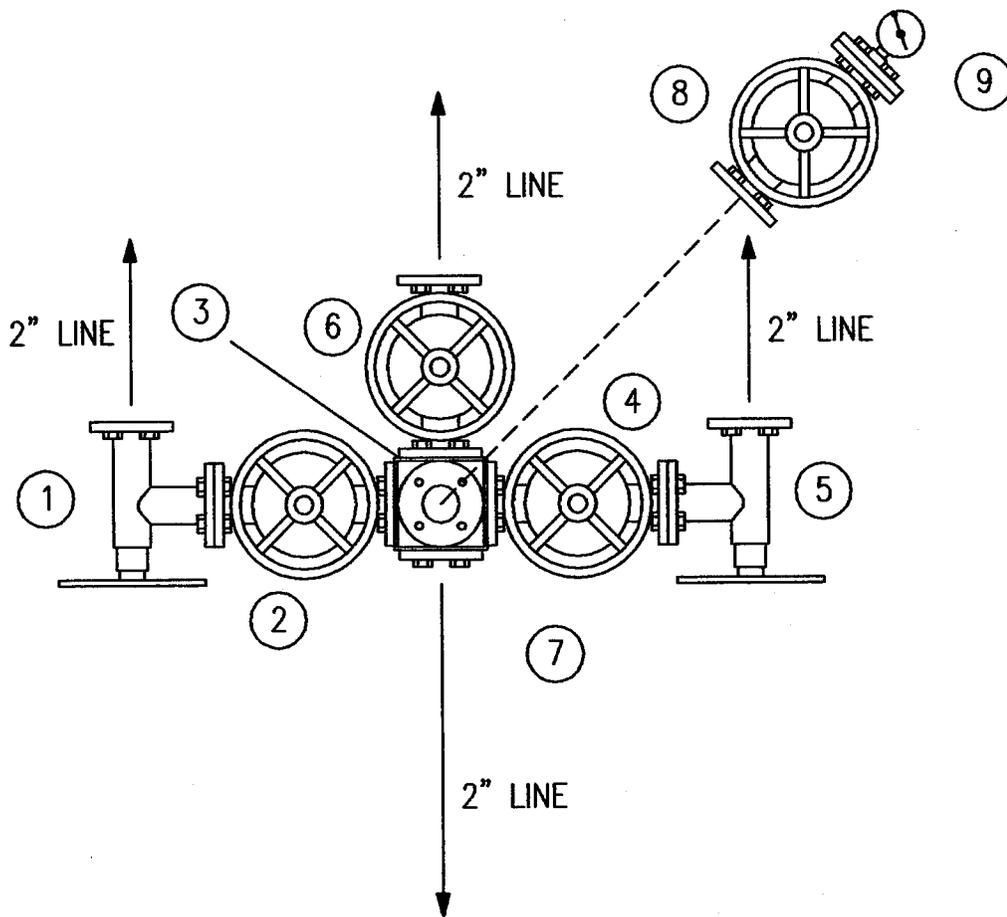
DIVERTER HEAD
CONOCOPHILLIPS COMPANY



COOOPHILLIPS COMPANY

- (1) 2" 5M FLANGED CHOKE
- (2) 2" 5M GATE VALVE (FLANGED)
- (3) 2" 5M STUDDED CROSS
- (4) 2" 5M GATE VALVE (FLANGED)
- (5) 2" 5M FLANGED CHOKE
- (6) 2" 5M GATE VALVE (FLANGED)
- (7) 2" LINE
- (8) 2" 5M GATE VALVE (FLANGED)
- (9) 3000# GAUGE

NOTE:
NUMBER 8 GATE VALVE SITS ON TOP OF MANIFOLD BETWEEN STUDDED CROSS AND 3000# GAUGE.



TO BOP
AND A NEW 2" BALL VALVE
FULL OPEN 5000 PSI

MANIFOLD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 4A

Bond No. 6196922

SURETY BOND

KNOW ALL MEN BY THESE PRESENTS:

That we (operator name) CONOCOPHILLIPS COMPANY as Principal,
and

(surety name) SAFECO INSURANCE COMPANY OF AMERICA as Surety, duly authorized
and qualified to do business in the State of Utah, are held and firmly bound unto the State of Utah in the sum of:

EIGHTY THOUSAND AND NO/100***** dollars (\$ 80,000.00)
lawful money of the United States, payable to the Director of the Division of Oil, Gas and Mining, as agent of the State of Utah, for the use and
benefit of the State of Utah for the faithful payment of which we bind ourselves, our heirs, executors, administrators and successors, jointly and
severally by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, WHEREAS the Principal is or will be engaged in the drilling, redrilling, deepening,
repairing, operating, and plugging and abandonment of a well or wells and restoring the well site or sites in the State of Utah for the purposes of
oil or gas production and/or the injection and disposal of fluids in connection therewith for the following described land or well:

- Blanket Bond: To cover all wells drilled in the State of Utah
- Individual Bond: Well No: _____
Section: _____ Township: _____ Range: _____
County: _____, Utah

NOW, THEREFORE, if the above bounden Principal shall comply with all the provisions of the laws of the State of Utah and the rules, orders and
requirements of the Board of Oil, Gas and Mining of the State of Utah, including, but not limited to the proper plugging and abandonment of wells
and well site restoration, then this obligation is void; otherwise, the same shall be and remain in full force and effect.

IN TESTIMONY WHEREOF, said Principal has hereunto subscribed its name and has caused this instrument to be signed by its duly authorized
officers and its corporate or notary seal to be affixed this

30th day of Dec, 2002

(Corporate or Notary Seal here)

Attestee: [Signature] Date: 12-30-02

CONOCOPHILLIPS COMPANY
Principal (company name)
By James F. Hughes Title Corporate Insurance manager
James F. Hughes Signature

IN TESTIMONY WHEREOF, said Surety has caused this instrument to be signed by its duly authorized officers and its corporate or notary seal
to be affixed this

1ST day of JANUARY, 2003

(Corporate or Notary Seal here)

Carolyn E. Wheeler
Attestee: [Signature] Date: 12/20/2002

SAFECO INSURANCE COMPANY OF AMERICA
Surety Company (Attach Power of Attorney)
By Jina Marie S Title ATTORNEY IN FACT
Jina Marie S Signature
C/O MARSH USA, INC
Surety Mailing Address
P.O. BOX 36012, KNOXVILLE, TN 37930-6012
City State Zip

CAROLYN E. WHEELER
NOTARY PUBLIC
MY COMMISSION EXPIRES: NOVEMBER 1, 2006
(5/2002)

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/07/2006

API NO. ASSIGNED: 43-007-31153

WELL NAME: UTAH 33-1072
 OPERATOR: CONOCOPHILLIPS COMPANY (N2335)
 CONTACT: JEAN SEMBORSKI

PHONE NUMBER: 435-613-9777

PROPOSED LOCATION:

NWNW 33 140S 090E
 SURFACE: 0234 FNL 0578 FWL
 BOTTOM: 0234 FNL 0578 FWL
 COUNTY: CARBON
 LATITUDE: 39.57100 LONGITUDE: -110.9259
 UTM SURF EASTINGS: 506364 NORTHINGS: 4379938
 FIELD NAME: DRUNKARDS WASH (48)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	3/30/06
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-48178
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: FRSD
 COALBED METHANE WELL? YES

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. 6196922)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. MUNICIPAL)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: DRUNKARDS WASH *OK*
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 243-2
Eff Date: 7-13-99
Siting: 460' fr Wbdg of Uncomm. Tract
- R649-3-11. Directional Drill

COMMENTS: Needs Permit (03-16-06)

STIPULATIONS: 1- STATEMENT OF BASIS



DRUNKARDS WASH FIELD
DRUNKARDS WASH UNIT
 CAUSE: 243-2 / 7-13-1999

T14S R9E

T15S R9E

OPERATOR: CONOCOPHILLIPS CO (N2335)
 SEC: 29,33 T. 14S R. 9E
 FIELD: DRUNKARDS WASH (48)
 COUNTY: CARBON
 CAUSE: 243-2 / 7-13-1999

- Field Status**
- ABANDONED
 - ACTIVE
 - COMBINED
 - INACTIVE
 - PROPOSED
 - STORAGE
 - TERMINATED

- Unit Status**
- EXPLORATORY
 - GAS STORAGE
 - NF PP OIL
 - NF SECONDARY
 - PENDING
 - PI OIL
 - PP GAS
 - PP GEOTHERML
 - PP OIL
 - SECONDARY
 - TERMINATED

- Wells Status**
- GAS INJECTION
 - GAS STORAGE
 - LOCATION ABANDONED
 - NEW LOCATION
 - PLUGGED & ABANDONED
 - PRODUCING GAS
 - PRODUCING OIL
 - SHUT-IN GAS
 - SHUT-IN OIL
 - TEMP. ABANDONED
 - TEST WELL
 - WATER INJECTION
 - WATER SUPPLY
 - WATER DISPOSAL
 - DRILLING



PREPARED BY: DIANA WHITNEY
 DATE: 13-MARCH-2006

**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

OPERATOR: ConocoPhillips Company
WELL NAME & NUMBER: Utah 33-1072
API NUMBER: 43-007-31153
LOCATION: 1/4,1/4 NWNW Sec:33 TWP: 14 S RNG: 9 E 234 FNL 578 FWL

Geology/Ground Water:

A well at this location would spud into a moderately permeable soil developed on Quaternary/Tertiary Pediment Mantle deposited on the Blue Gate Member of the Mancos Shale. While there are no aquifers with high quality ground water that are likely to be encountered, the Garley Canyon Beds of the Emery Sandstone Member, which will be penetrated close to the surface, have been observed to produce of water year round nearby. The surface casing should be extended as needed to afford protection to the quality water resource within these Beds. The proposed casing and cement program will adequately isolate any zones of water penetrated, provided the Garley Canyon Beds are cased over. There are numerous water rights filed by the operator by the operator and an individual (one water right) on underground sources of water within a mile of this location.

Reviewer: Christopher J. Kierst **Date:** 3/24/06

Surface:

Proposed location is ~6.45 miles southwest of Price, Utah. The current surface use of the immediate area surrounding the proposed well is grazing and wildlife habitat. Access to this well will be along existing ConocoPhillips gas field roads and County maintained roads. Approximately 1200' of new access road will be built for this location. The direct area drains to the east, towards Drunkards Wash, then further east eventually into the Price River, a year-round live water source. 20 producing, shut-in, SWD, and/or PA wells are within a 1-mile radius of the above proposed well. Location layout, current surface status and characteristics, planned disturbances, access and utility route, wildlife issues, and the reserve pit characteristics were all discussed. This well is located within a wildlife habitat enhancement project, "PJ push", that is ~5 years old. The well pad is staked in a small finger of PJ's that was left during the push. The access into this pad is flagged in the open area of the push, which DWR requested that the access be re-routed in the standing trees. Ed Bonner (SITLA), Corey Wilcox (ConocoPhillips), Nathan Sill (DWR), and Larry Jensen (NELCO) were in attendance. Carbon County was invited but chose not to attend.

Reviewer: Mark L. Jones **Date:** March 22, 2006

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: ConocoPhillips Company
WELL NAME & NUMBER: Utah 33-1072
API NUMBER: 43-007-31153
LEASE: State **FIELD/UNIT:** Drunkards Wash UTU-67921X
LOCATION: 1/4,1/4 NWNW Sec: 33 TWP: 14S RNG: 9E 234 FNL 578 FWL
LEGAL WELL SITING: 460' from unit boundary and uncommitted tracts.
GPS COORD (UTM): X =506362 E; Y =4379937 N SURFACE OWNER: SITLA.

PARTICIPANTS

M. Jones (DOGM), Ed Bonner (SITLA), Corey Wilcox (ConocoPhillips), Nathan Sill (DWR), and Larry Jensen (NELCO) were in attendance. Carbon County was invited but chose not to attend.

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed location is ~6.45 miles southwest of Price, Utah. The current surface use of the immediate area surrounding the proposed well is grazing and wildlife habitat. Access to this well will be along existing ConocoPhillips gas field roads and County maintained roads. Approximately 1200' of new access road will be built for this location. The direct area drains to the east, towards Drunkards Wash, then further east eventually into the Price River, a year-round live water source.

SURFACE USE PLAN

CURRENT SURFACE USE: Grazing and wildlife habitat.

PROPOSED SURFACE DISTURBANCE: 175' x 235' w/ 50' x 50' x 10' (excluded) pit.

LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS: 20 producing, shut-in, SWD, and/or PA wells are within a 1-mile radius of the above proposed well.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: On location and along roadway.

SOURCE OF CONSTRUCTION MATERIAL: Obtained locally and trucked to site.

ANCILLARY FACILITIES: None anticipated.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? (EXPLAIN): No.

WASTE MANAGEMENT PLAN:

Portable chemical toilets which will be emptied into the municipal waste treatment system; garbage cans on location will be emptied into centralized dumpsters which will be emptied into an approved landfill. Crude oil production is unlikely. Drilling fluid, completion / frac

fluid and cuttings will be buried in the pit after evaporation and slashing the pit liner. Produced water will be gathered to the evaporation pit and eventually injected into the Navajo Sandstone via a salt-water disposal well. Used oil from drilling operations and support is hauled to a used oil recycler and reused.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: Pinion Juniper community.

SOIL TYPE AND CHARACTERISTICS: Gravelly clay.

SURFACE FORMATION & CHARACTERISTICS:

EROSION/SEDIMENTATION/STABILITY: Erosive upon disturbance.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: Dugout earthen, 50'x50'x10', exterior to location.

LINER REQUIREMENTS (Site Ranking Form attached): Liner required.

SURFACE RESTORATION/RECLAMATION PLAN

As per surface use agreement.

SURFACE AGREEMENT: With SITLA lease.

CULTURAL RESOURCES/ARCHAEOLOGY: Completed by SencoPheonix.

OTHER OBSERVATIONS/COMMENTS

This well is located within a wildlife habitat enhancement project, "PJ push", that is ~5 years old. The well pad is staked in a small finger of PJ's that was left during the push. The access into this pad is flagged right in the open area of the push, which DWR requested that the access be re-routed in the standing trees.

ATTACHMENTS

Photos of this location were taken and placed on file.

Mark L. Jones
DOGM REPRESENTATIVE

March 16, 2006 / 11:30 am
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>20</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>0</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>5</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

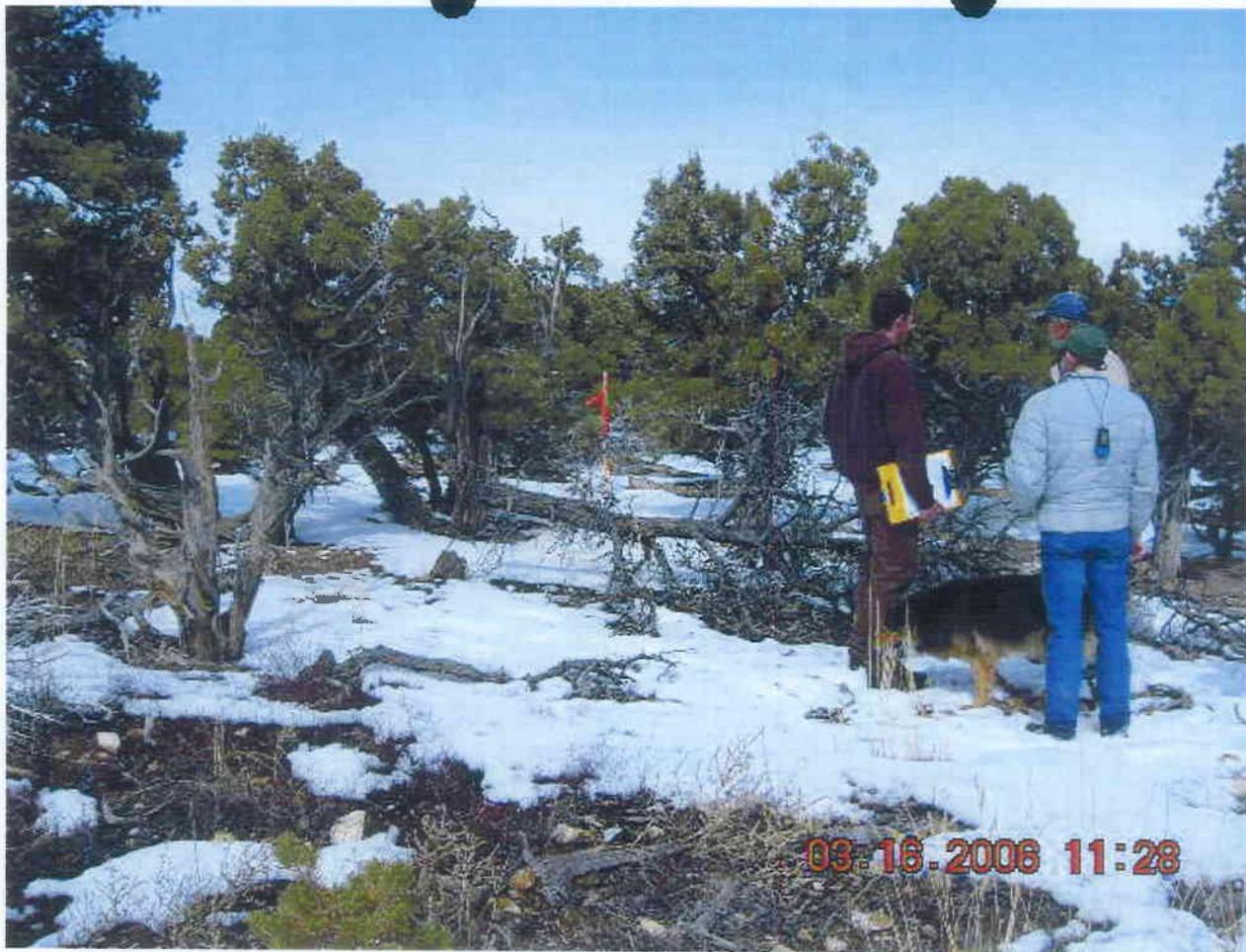
Final Score 25 (Level I Sensitivity)

Sensitivity Level I = 20 or more: total containment is required, consider criteria for excluding pit use.

Sensitivity Level II = 15-19: lining is discretionary.

Sensitivity Level III = below 15: no specific lining is required.





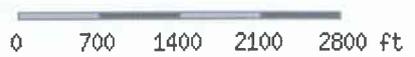
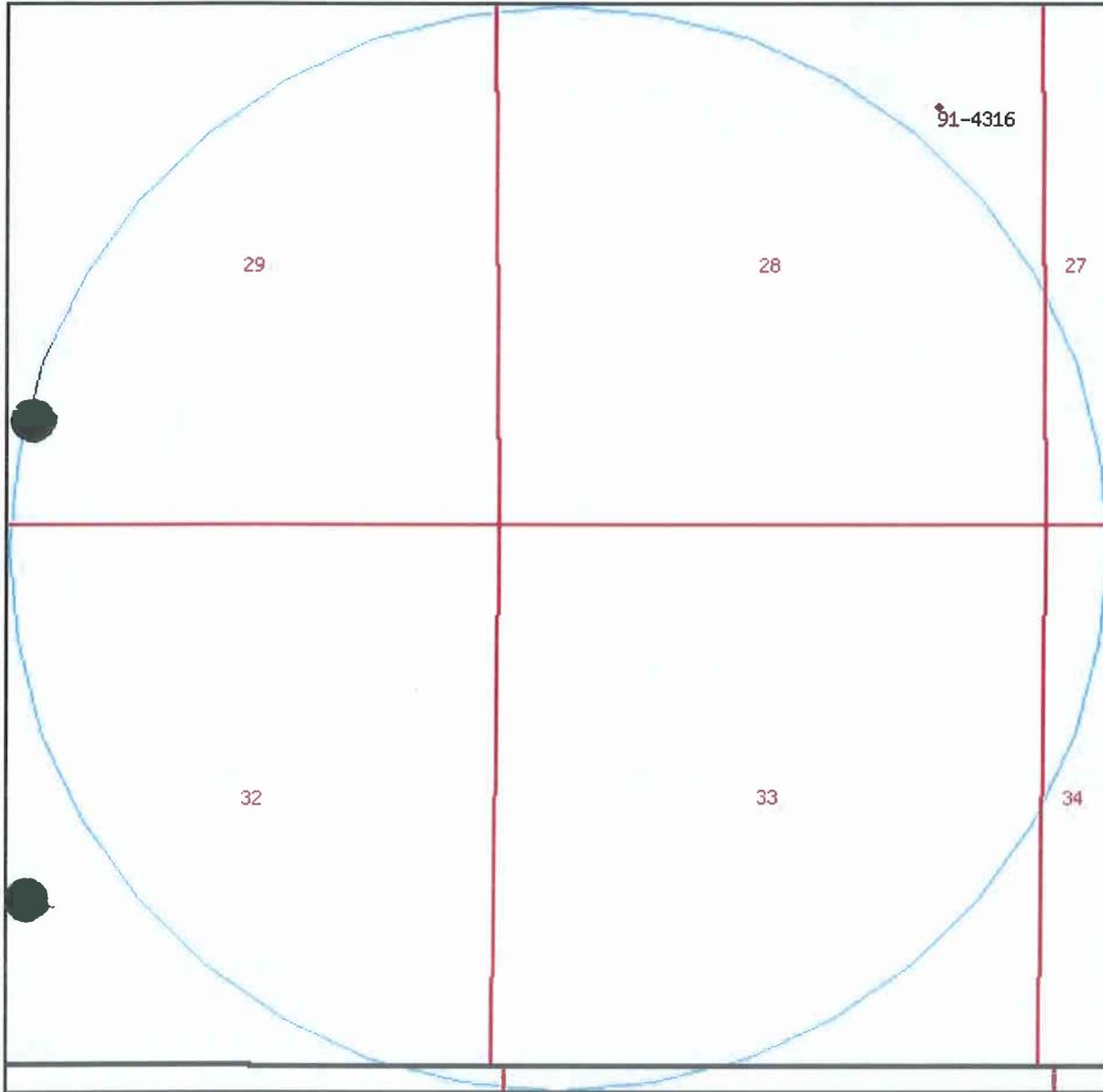
utah.gov State Online Services Agency List Business.utah.gov Search Utah.gov GO

UTAH DIVISION OF WATER RIGHTS

WRPLAT Program Output Listing

Version: 2004.12.30.00 Rundate: 03/24/2006 05:43 PM

Radius search of 5280 feet from a point S234 E578 from the NW corner, section 33, Township 14S, Range 9E, SL b&m Criteria:wrtypes=W,C,E
podtypes=S,U,D,Sp status=U,A,P usetypes=all

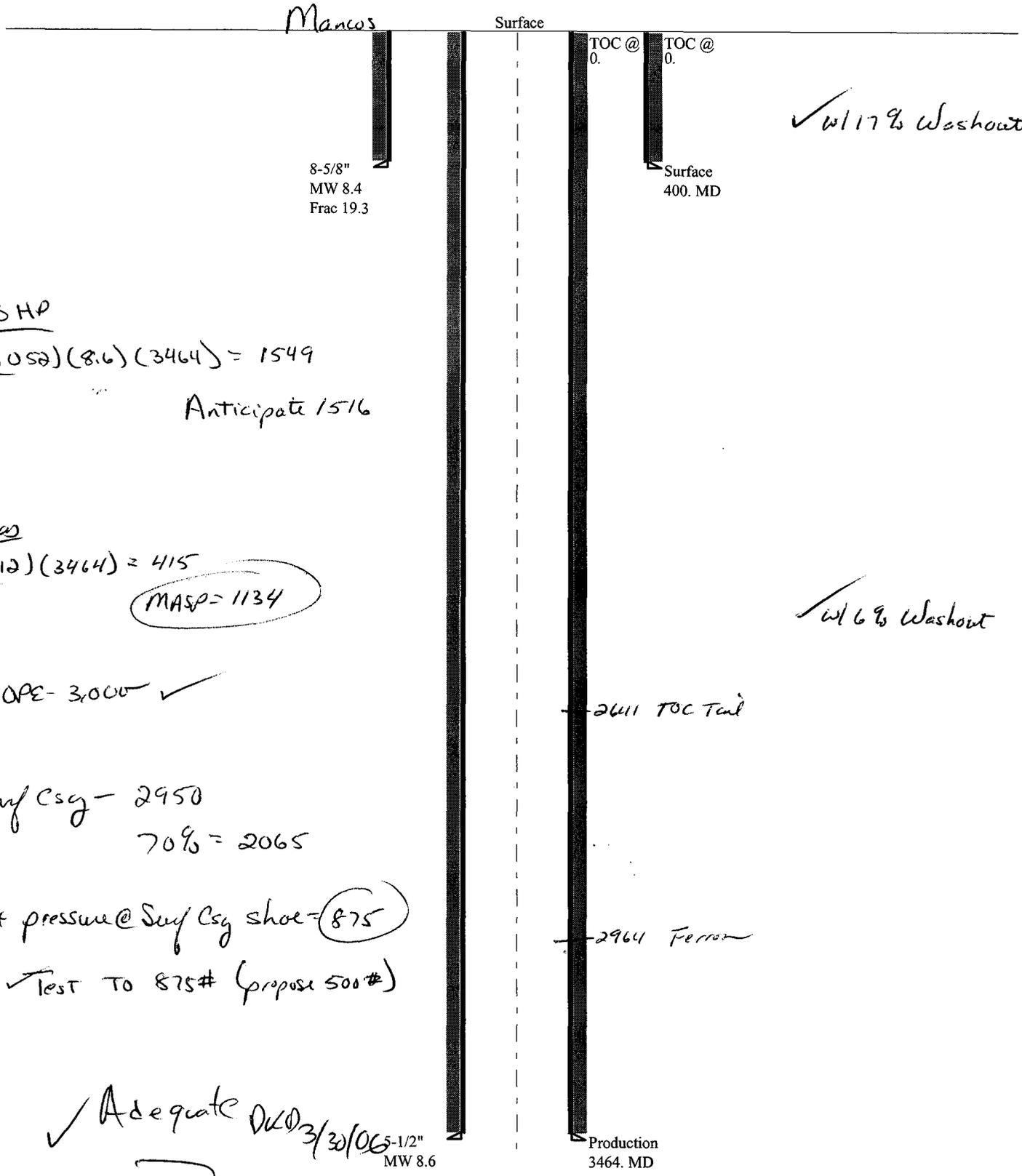


Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
<u>91-4316</u>	Surface S1200 W1000 NE 28 14S 9E SL		P	18690000	S	0.000	0.500	UTAH SCHOOL AND INSTITUTIONAL TRUST LANDS ADMIN. 675 EAST 500 SOUTH, SUITE 500

[Natural Resources](#) | [Contact](#) | [Disclaimer](#) | [Privacy Policy](#) | [Accessibility Policy](#)

03-06 ConocoPhillips Utah 3-1072
Casing Schematic



Mancos

Surface

8-5/8"
MW 8.4
Frac 19.3

TOC @ 0.
TOC @ 0.

Surface
400. MD

✓ w/ 17% Washout

BHP

$$(.052)(8.6)(3464) = 1549$$

Anticipate 1516

Gas

$$(.12)(3464) = 415$$

MASP = 1134

✓ w/ 6% Washout

BOPE - 3000 ✓

2611 TOC Tail

Surf Csg - 2950

$$70\% = 2065$$

Max pressure @ Surf Csg shoe = 875

✓ Test to 875# (propose 500#)

2964 Ferron

✓ Adequate DKO 3/30/06
MW 8.6

Production
3464. MD

Well name:

03-06 ConocoPhillips Utah 33-1072Operator: **ConocoPhillips**String type: **Surface**

Project ID:

43-007-31153

Location: **Carbon County****Design parameters:****Collapse**Mud weight: 8.400 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 71 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 250 ft

Cement top: 0 ft

BurstMax anticipated surface
pressure: 352 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 400 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)Tension is based on buoyed weight.
Neutral point: 350 ft

Non-directional string.

Re subsequent strings:Next setting depth: 3,464 ft
Next mud weight: 8.600 ppg
Next setting BHP: 1,548 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 400 ft
Injection pressure 400 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	400	8.625	24.00	J-55	ST&C	400	400	7.972	19.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	175	1370	7.849	400	2950	7.37	8	244	29.08 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & MiningPhone: 801-538-5280
FAX: 810-359-3940Date: March 27, 2006
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 400 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

03-06 ConocoPhillips Utah 33-1072

Operator: **ConocoPhillips**
String type: Production

Project ID:
43-007-31153

Location: Carbon County

Design parameters:

Collapse

Mud weight: 8.600 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 113 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 1,132 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 1,548 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.
Neutral point: 3,012 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	3464	5.5	17.00	N-80	LT&C	3464	3464	4.767	119.4
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1548	6290	4.064	1548	7740	5.00	51	348	6.80 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: 801-538-5280
FAX: 810-359-3940

Date: March 27, 2006
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 3464 ft, a mud weight of 8.6 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

From: Ed Bonner
To: Whitney, Diana
Date: 3/27/2006 10:24:45 AM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

ConocoPhillips Company

Utah 33-1074
Utah 04-1139
Utah 08-1148
Utah 10-1154
Utah 10-1155
Utah 10-1156
Utah 36-1012
Utah 31-1068
Utah 17-1176
Utah 18-1178
Utah 18-1179
Utah 05-1142
Utah 33-1072

Enduring Resources, LLC

Southam Canyon 10-25-12-32
Southam Canyon 10-25-13-32
Southam Canyon 10-25-22-32
Southam Canyon 10-25-24-32
Southam Canyon 10-25-31-32
Southam Canyon 10-25-32-32
Southam Canyon 10-25-33-32
Southam Canyon 10-25-41-32
Southam Canyon 10-25-42-32
Southam Canyon 10-25-43-32
Rock House 11-23-42-2
Rock House 11-23-22-2

EOG Resources, Inc

Chapita Wells Unit 1173-2
Chapita Wells Unit 1175-2

The Houston Exploration Company

North Horseshoe 3-16-6-21
North Horseshoe 7-16-6-21
North Horseshoe 9-16-6-21
North Horseshoe 15-16-6-21
North Horseshoe 11-16-6-21
Significant site along pipeline/access road must be avoided.
Recommendations of arch consultant must be followed.

If you have any questions regarding this matter please give me a call.

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil

Operator: ConocoPhillips Company
Well Name & Number Utah 33-1072
API Number: 43-007-31153
Lease: ML-48178

Location: NW NW Sec. 33 T. 14 South R. 9 East

Conditions of Approval

1. **General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 30, 2006

ConocoPhillips Company
P O Box 851
Price, UT 84501

Re: Utah 33-1072 Well, 234' FNL, 578' FWL, NW NW, Sec. 33, T. 14 South,
R. 9 East, Carbon County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-31153.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Carbon County Assessor
SITLA
Bureau of Land Management, Moab District Office

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: CONOCOPHILLIPS COMPANY

Well Name: UTAH 33-1072

Api No: 43-007-31153 Lease Type: STATE

Section 33 Township 14S Range 09E County CARBON

Drilling Contractor PENSE BROTHERS RIG # 14

SPUDDED:

Date 07/27/06

Time 6:30 PM

How DRY

Drilling will Commence: _____

Reported by JOHNNY DAMRON

Telephone # (435) 820-8108

Date 07/28/2006 Signed CHD

RECEIVED

AUG 02 2006

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

DIV. OF OIL, GAS & MINING

ENTITY ACTION FORM

Operator: ConocoPhillips Company
Address: 315 S. Johnstone, 980 Plaza Office
city Bartlesville,
state OK zip 74004

Operator Account Number: N 2335

Phone Number: _____

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300731153	Utah 33-1072		NWNW	33	14S	9E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	11256 ✓	7/27/2006		8/3/06		
Comments: <u>FRSD</u>							CONFIDENTIAL

Well 2

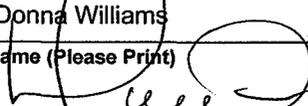
API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments: _____							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments: _____							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Donna Williams
Name (Please Print)

Signature
Sr. Regulatory Analyst
Title
7/31/2006
Date

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48178
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			7. UNIT or CA AGREEMENT NAME: Drunkards Wash UTU-67921X
2. NAME OF OPERATOR: ConocoPhillips Company LP			8. WELL NAME and NUMBER: Utah 33-1072
3. ADDRESS OF OPERATOR: P. O. Box 51810 CITY Midland STATE TX ZIP 79710-1810		PHONE NUMBER: (432) 688-6943	9. API NUMBER: 4300731153
4. LOCATION OF WELL FOOTAGES AT SURFACE: 234' FNL & 578' FWL			10. FIELD AND POOL, OR WILDCAT: Drunkards Wash
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 33 14S 9E			COUNTY: Carbon
			STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 7/27/2006	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Spud
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The above well spud on 7/27/06. Drilled an 11" hole to 430'. Ran 8 5/8", 24#, J55 casing and set at 414'. Cemented with 180 sxs cmt + 2% CaCl + .25 pps flocele. Returns to surface.

NAME (PLEASE PRINT) Donna Williams	TITLE Sr. Regulatory Analyst
SIGNATURE	DATE 7/31/2006

(This space for State use only)

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DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <u>CONFIDENTIAL</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48178
2. NAME OF OPERATOR: ConocoPhillips Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: P.O. Box 51810 CITY Midland STATE Tx ZIP 79710		7. UNIT or CA AGREEMENT NAME: Drunkards Wash UTU-67921X
4. LOCATION OF WELL FOOTAGES AT SURFACE: 234' FNL & 578' FWL		8. WELL NAME and NUMBER: Utah 33-1072
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 33 14S 9E		9. API NUMBER: 4300731153
COUNTY: Carbon		10. FIELD AND POOL, OR WILDCAT: Drunkards Wash
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 8/7/2006	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The above well spud on 7/27/06. Sundry notice of spud filed on 7/31/06. WOC. NU. Test BOP and 8 5/8" casing. P/u 7 7/8" hammer. Tag cement top at 370' and drilled out remaining cement in surface casing. Commence drilling. Continued drilling to 2970'. Core point TD. Circulated and clean out wellbore. POOH. P/u core barrel and wash down to core point at 2970'. Drilled from 2970' to 2997'. POOH and l/d bit. Bit was missing insert cutters. W/o junk basket. RIH w/ tri cone. Tag PBDT @ 2994'. Drilled a total of 5' and drilled up remaining bit cutters. POOH. P/u new 7 7/8" PDC and commence drilling and taking core samples from 3000' to 3170' (core TD). POOH. L/d core BHA. P/u 7 7/8". Tag PBDT @ 3170'. Commenced drilling ahead to 3464'. Circulated and condition hole clean. POOH for wiper trip. RIH and encountered tight spot at 3294'. Worked thru spot and continued to RIH to TD at 3464'. Circulate and condition hole. POOH w/drill pipe. Drill pipe stuck. Continue to work free. RIH w/free point tools. Pipe was 100% free to 4.5x6 cross over and below was 80% stuck. Continued to work free and was successful. POOH w/some drill pipe. Wash over fish. Circulated and clean hole. Tag fish top @ 3130'. Work over fish. Attempted to screw into fish and was unsuccessful. Tag just above fish top. Broke circulation, latch onto fish. Trying to work stuck pipe free. Continued to jar. Work stuck pipe free. POOH w/fish. 100% recovery. RIH w/5 1/2" casing and set at 3304'. Cmt w/200 sxs 'V' + 10% Cal-seal + 1% CaCl + .25 pps flocele (14.2ppg yield 1.61) Drop wiper plug, displaced and bump plug. Circulated 90 bbls to clear out any remaining cement at the DV tool. Pump 20 bbl gel & LCM w/flow seal, flush sweep through tool. Pumped 420 sxs of 12.5ppg, yield 1.98 cu/ft/sx Type 5 50/50 Poz + 10% cal-seal 60 + 8% gel + .25 pps flocele. Released wiper plug, displace plug to DV tool. Bump plug, good test. RDMO. Well is waiting on completion operations.

NAME (PLEASE PRINT) <u>Donna Williams</u>	TITLE <u>Sr. Regulatory Analyst</u>
SIGNATURE	DATE <u>8/9/2006</u>

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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

AMENDED REPORT
(highlight changes)

FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48178
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		7. UNIT OR CA AGREEMENT NAME Drunkards Wash UTU-67921X
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Utah 33-1072
2. NAME OF OPERATOR: ConocoPhillips Company		9. API NUMBER: 4300731153
3. ADDRESS OF OPERATOR: P.O. Box 51810 CITY Midland STATE TX ZIP 79710		10. FIELD AND POOL, OR WILDCAT Drunkards Wash
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 234' FNL & 578' FWL AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 33 14S 9E
		12. COUNTY Carbon
		13. STATE UTAH

14. DATE SPUDDED: 7/27/2006	15. DATE T.D. REACHED: 8/7/2006	16. DATE COMPLETED: 9/25/2006	ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL): 6,674' GL
18. TOTAL DEPTH: MD 3,464 TVD	19. PLUG BACK T.D.: MD 3,304 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *		21. DEPTH BRIDGE MD PLUG SET: TVD
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) GR-CN-CB-CCL			23. WAS WELL CORED? NO <input type="checkbox"/> YES <input checked="" type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT. (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
11"	8 5/8" J-55	24#	0	414		V 180		Surface	
7 7/8"	5 1/2" N-80	17#	0	3,304		V 200		Surface	
						5 420		(Circ)	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	3,236							

26. PRODUCING INTERVALS					27. PERFORATION RECORD			
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Ferron	2,990	3,160			3,082 3,160		105	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)					2,990 3,050		60	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
3082' - 3160'	500 gal 15% acid, 2,078 gal Pre-Pad, 11,298 gal Pad, 178,006# 16/30, 3,009 gal water
2990' - 3050'	500 gal 15% acid, 2,218 gal Pre-Pad, 22,350 gal Pad, 64,538# 20/40, 120,160# 16/30, 2,919 gal water

29. ENCLOSED ATTACHMENTS: <input checked="" type="checkbox"/> ELECTRICAL/MECHANICAL LOGS <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION	<input type="checkbox"/> GEOLOGIC REPORT <input checked="" type="checkbox"/> CORE ANALYSIS	<input type="checkbox"/> DST REPORT <input type="checkbox"/> OTHER: _____	<input type="checkbox"/> DIRECTIONAL SURVEY	30. WELL STATUS: Producing
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31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 9/25/2006		TEST DATE: 9/25/2006		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL – BBL: 0	GAS – MCF: 46	WATER – BBL: 0	PROD. METHOD: Pumping
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS. 63	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 46	WATER – BBL: 0	INTERVAL STATUS:	

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:	

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:	

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:	

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

Sold

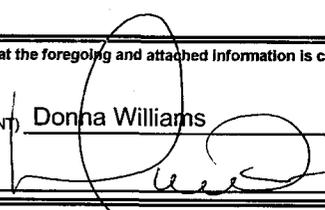
33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				Bluegate Bentonite	2.850
				Ferron	2.986

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Donna Williams TITLE Sr. Regulatory Analyst
 SIGNATURE  DATE 10/19/06

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

5. LEASE DESIGNATION AND SERIAL NUMBER:

ML-48178

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

N/A

7. UNIT or CA AGREEMENT NAME:

Drunkards Wash (UTU-67921X)

8. WELL NAME and NUMBER:

Utah 33-1072

9. API NUMBER:

4300731153

10. FIELD AND POOL, OR WILDCAT:

Drunkards Wash

1. TYPE OF WELL

OIL WELL []

GAS WELL [X]

OTHER []

2. NAME OF OPERATOR:

ConocoPhillips Company

3. ADDRESS OF OPERATOR:

P.O. Box 51810

CITY Midland

STATE TX

ZIP 79710-1810

PHONE NUMBER:

(432) 688-6943

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 234' FNL & 578' FWL

COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 33 14S 9E

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

Table with columns: TYPE OF SUBMISSION, TYPE OF ACTION. Includes checkboxes for NOTICE OF INTENT, SUBSEQUENT REPORT, ACIDIZE, ALTER CASING, CASING REPAIR, CHANGE TO PREVIOUS PLANS, CHANGE TUBING, CHANGE WELL NAME, CHANGE WELL STATUS, COMMINGLE PRODUCING FORMATIONS, CONVERT WELL TYPE, DEEPEN, FRACTURE TREAT, NEW CONSTRUCTION, OPERATOR CHANGE, PLUG AND ABANDON, PLUG BACK, PRODUCTION (START/RESUME), RECLAMATION OF WELL SITE, RECOMPLETE - DIFFERENT FORMATION, REPERFORATE CURRENT FORMATION, SIDETRACK TO REPAIR WELL, TEMPORARILY ABANDON, TUBING REPAIR, VENT OR FLARE, WATER DISPOSAL, WATER SHUT-OFF, OTHER: Replace pump.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

12/6/06 - Move rig and equipment onto location.

12/7/06 - SI RU. Unseat pump, lay down mast, add 1-6"x3/4" pony rod. RU mast and seat pump. Fill and test 500 psi, good. Stroke test unit. Rig down.

NAME (PLEASE PRINT)

Donna Williams

TITLE

Sr. Regulatory Analyst

SIGNATURE

[Handwritten Signature]

DATE

2/5/07

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FEB 08 2007